

272A.8-040 Election of directors and composition of board.

- (1) Unless the organic rules require a greater number:
 - (a) The number of directors that must be patron members may not be fewer than:
 1. One (1), if there are two (2) or three (3) directors;
 2. Two (2), if there are four (4) or five (5) directors;
 3. Three (3), if there are six (6) through eight (8) directors; or
 4. One-third (1/3) of the directors if there are at least nine (9) directors; and
 - (b) A majority of the board of directors shall be elected exclusively by patron members.
- (2) Unless the organic rules otherwise provide, if a limited cooperative association has investor members, the directors who are not elected exclusively by patron members are elected by the investor members.
- (3) Subject to subsection (1) of this section, the organic rules may provide for the election of all or a specified number of directors by one (1) or more districts or classes of members.
- (4) Subject to subsection (1) of this section, the organic rules may provide for the nomination or election of directors by districts or classes, directly or by district delegates.
- (5) If a class of members consists of a single member, the organic rules may provide for the member to appoint a director or directors.
- (6) Unless the organic rules otherwise provide, cumulative voting for directors is prohibited.
- (7) Except as otherwise provided by the organic rules, subsection (5) of this section, or KRS 272A.3-020, 272A.5-140, 272A.5-150, and 272A.8-090, member directors shall be elected at an annual members meeting.
- (8) Every director of a limited cooperative association, by acceptance of election or appointment as a director, including by service, shall be deemed to have consented to the jurisdiction of the courts of the Commonwealth of Kentucky for any action by, in the name of, or on behalf of the association.

Effective: July 12, 2012

History: Created 2012 Ky. Acts ch. 160, sec. 57, effective July 12, 2012.